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SUBJECT: SLOVENIA: THE BRUISED AND BATTERED REPUTATION OF SLOVENIAN MOD KARL ERJAVEC

REF: A. LJUBLJANA 388

¶B. LJUBLJANA 553

Classified By: COM Thomas B. Robertson for Reasons 1.4 (b) and (d)

- 11. (SBU) SUMMARY. Minister of Defense Karl Erjavec has had a rocky few months battling for respect and support from the media, fellow ministers, and the general public. A series of MoD missteps, from the controversial tender for purchase of 8x8 armored vehicles, to a budget fight, and sexual harassment allegations within the ranks, have kept Erjavec as the most frequent Minister-level target of the often mean-spirited Slovenian media. The constant barrage of bad press has left Erjavec's reputation bruised and has set him up as the member of Prime Minister Janez Jansa's current government in the most precarious position during the run up to October's local elections. END SUMMARY.
- 12. (C) With headlines like "Caution, Erjavec at the Wheel," political commentators calling his appointment as Minister "a mistake," and editorials labeling his tenure as "the lowest point in the history of (the Slovenian defense system)," Karl Erjavec has spent the past few months in a constant struggle to defend himself and his leadership of the MoD. While criticism has largely been kept to the media and opposition lawmakers, Erjavec's general lack of charisma or openness, and his inability to project confidence and leadership seem to have compounded his MoD missteps, leaving him presiding over a ministry whose last few months have been characterized as mini-crisis after mini-crisis.
- 13. (U) Last week, Slovenian papers published an internal document from the Slovenian Armed Forces (SAF) General Staff and signed by Chief of Defense Lt. General Albin Gutman showing that the MoD was preparing for late delivery and 50% cost overruns on the Patria 8x8 armored vehicles purchase (see reftel a for an overview of the highly controversial tender decision this past summer). Gutman acknowledged the document, said that it was a draft, and explained that cost differences were due to a more highly equipped version of the 8x8 vehicle. But Erjavec would not initially acknowledge the document and had a public spat over it with the Parliament Defense Committee President Tone Anderlic. The interchange was carried on several television news programs and left Erjavec described as "a little schoolboy". This latest incident keeps the Patria controversy alive nearly three months after the initial decision was announced.
- 14. (C) While MoD project overruns appear likely, Erjavec finds himself without the clout to maintain planned increases

to the MoD's final budget for 2007-2008 (reftel b). Finance Minister Andrej Bajuk's need to close a gap in the budget resulted in an embarrassing flip flop for Erjavec on the importance of the long-standing Slovenian commitment to an MoD budget of at least 2% of GDP. As recently as mid-July, while presenting a bill on defense development programs in parliament, Erjavec stressed the need to reach the 2% commitment, saying during a general debate that "the failure to pass this bill or a major delay would directly jeopardize the implementation of the planned defense capabilities, which the alliance (NATO) is counting on. " Yet in late July the government passed a budget that does not allow for the MoD to meet the 2% GDP goal in 2007 or 2008. When the issue came to the forefront in late August, Erjavec backpedaled, telling a Slovenian daily that "(though the MoD) will be getting less means than planned, that does not mean that the goals could not be reached" and last week assuring President Janez Drnovsek that "the lower sum would (still) allow all the obligations Slovenia has to NATO to be fulfilled." When contacted the MoD to discuss the inconsistency, MoD Desk Officer Lovro Peterlin (protect) commented that "our minister was probably just a bad negotiator" and the government-approved budget is unlikely to change. COMMENT. Perhaps in response to the tighter budget, Post has begun to see movements within the MoD to push major expenditures further out on the calendar, or do multi-year purchases that back-load much of the cost of equipment to out years. END COMMENT.

15. (U) The MoD took yet another hit this week with reports of sexual harassment cases from two female SAF soldiers. The Union of Military, Defense, and Protection supplied documentation about the two cases to the Defense Committee outlining the complaints that were made in March 2006 and criticizing the MoD for not taking action. Erjavec said that he has taken action by personally talking with the two

soldiers and asking for formal complaints to guide an investigation. He said that he has not yet received a report from the two alleged victims, that no sexual harassment has been detected thus far in the SAF, and that he is taking a proactive approach on the issue.

16. (C) COMMENT. In a country where investigative journalism is rare and the attention span of most journalists very, very short, Erjavec has managed to provoke almost constant interest and in turn, criticism, from the Slovenian media. While none of the issues mentioned above seem grave enough individually to cause Erjavec's downfall, the continuing nature of the MoD's stream of mini-crises, and more importantly, his inability to deal with them in a quick, effective manner has left Erjavec weakened in the eyes of the government, media, and public. PM Jansa has his own man as deputy in the MoD, and while he claims to be staying out of the MoD's interworkings, he is as well plugged in as he needs to be on defense affairs. Erjavec's weakening position gives Jansa leverage over the future of his Defense Minister, but coalition politics (Erjavec remains president of the coalition party DeSUS) will more likely determine Jansa's decisions about if and when Erjavec has to go. END COMMENT. ROBERTSON